Policy for non-conventional energy resources

1404. SHRI SANJAY RAUT: Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

(a) whether Government is considering to make any comprehensive policy for compulsory use of renewable energy resources through biomass, hydropower, wind, solar and municipal waste in the country, particularly for commercial establishments, as well as Government establishment;

(b) if so, the details thereof;

(c) the current capacity of renewable and non-conventional energy sources in the country; and

(d) the details of steps taken or proposed to be taken for increasing the use of renewable and non-conventional energy sources in the country?

THE MINISTER OF STATE OF THE MINISTRY OF NEW AND RENEWABLE ENERGY (SHRI VILAS MUTTEMWAR): (a) and (b) Under the Electricity Act 2003, National Electricity Policy 2005 and Tariff Policy 2006 it is obligatory upon State Electricity Regulatory Commissions to fix certain percentage for purchase of power from renewable energy sources in the area of a distribution licensee and to fix preferential tariffs for the same.

(c) Grid-interactive renewable power installed capacity in the country has reached 11,063 MW as on 31.10.2007.

(d) The Government has been providing several concessions in the form of fiscal and financial incentives to encourage the use of renewable energy sources. These include capital/interest subsidy, accelerated depreciation, nil/concessional excise and customs duties. Further, as applicable to all new infrastructure projects, profits earned from sale of renewable power are exempt from Income Tax for any 10 years out of the first 15 years of project's operation. This apart, preferential tariff for grid interactive renewable power is being given in most potential States. Publicity and awareness on the use of renewable energy systems/devices is also created through print, postal and electronic media and special events like the Rajiv Gandhi Akshay Urja Diwas are being organised. District-level Advisory Committees have been constituted in the states to facilitate effective coordination of renewable energy schemes/programmes.

Scheme for expansion of renewable energy

†1405. SHRI DATTA MEGHE: Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

(a) whether Government has formulated any scheme for expansion of different forms of renewable energy, such as wind energy; solar energy, bio-fuel, hydro-electricity, etc.;

(b) if so, the details thereof;

(c) whether it is a fact that some zones, like Special Economic Zones, would be set up for new and renewable energy systems; and

†Original notice of the question was received in Hindi

(d) if so, the States where such zones would be set up?

THE MINISTER OF STATE OF THE MINISTRY OF NEW AND RENEWABLE ENERGY (SHRI VILAS MUTTEMWAR): (a) and (b) The Government has been providing several concessions in the form of fiscal and financial incentives to encourage the use of renewable energy sources. These include capital/interest subsidy, accelerated depreciation, nil/ concessional excise and customs duties. Further, as applicable to all new infrastructure projects, profits earned from sale of renewable power are exempt from Income Tax for any 10 years out of the first 15 years of project's operation. This apart, preferential tariff for grid interactive renewable power is being given in most potential States. Details of the Central Financial Assistance provided under various renewable energy schemes/programmes are given in Statement (*See* below).

(c) and (d) Special Economic Zones (SEZs) can be set up by private sector in the country. The Ministry of New and Renewable Energy will extend all help, support and co-operation if such SEZs are for manufacture of renewable energy equipment. Maharashtra, Tamil Nadu, Karnataka, Madhya Pradesh and Chhattisgarh have evinced interest to facilitate setting up of such SEZs in those States. In addition, Indian Renewable Energy Development Agency (IREDA), a non-banking financial company under the administrative control of this Ministry, is envisaging formation of a Special Purpose Vehicle company for setting up, maintaining and managing a SEZ for production of renewable energy equipment. IREDA is in the process of disoussing the issue with State Governments and private sector parties.

Statement

Central Financial Assistance Provided under Various Renewable Energy Schemes/ Programmes

A. OFF-GRID RENEWABLE ENERGY PROGRAMMES:

Sl. No.	Scheme/Programme	Central Financial Assistance provided
1	2	3
1.	**Remote Village Electrification:** Electricity generation/lighting systems for households in remote unelectrified census villages/ hamlet.	90% of the cost of electricity generation systems subject to a pre-specified maximum amount for each technology and an overall ceiling of Rs. 18,000 per household. 100% cost of a single light SPV home lighting system for BPL households.
2.	**Family Type Biogas Plants**	
	NE Region States including Sikkim (except plain areas of Assam).	Rs. 11,700 per plant
	Plain areas of Assam	Rs. 9,000 per plant
	J&K, Himachal Pradesh, Uttaranchal (excluding terai region), Nilgiris of Tamil Nadu, Sadar Kursoong and Kalimkpong sub-divisions of Darjeeling, Sunderbans, A&N Islands.	Rs. 4,500 per plant (limited to Rs. 3,500 for 1 cubic meter fixed dome type plant).

1	2	3
	Scheduled Caste, Scheduled Tribe desert districts, small and marginal farmers, landless labourers, terai region of Uttaranchal, Western Ghats and other notified hilly areas.	Rs. 3,500 per plant (limited to Rs. 2,800 for 1 cubic meter fixed dome type plant).
	All Others	Rs. 2,700 per plant (limited to Rs. 2,100 for 1 cubic meter fixed dome type plant).
3.	**Biomass Gasifiers for Rural Areas**	Rs. 1.50 lakh/100 kWe—for thermal and electro-mechanical applications (with dual fuel engine). Rs. 15.00 lakh/100 kWe—for power generation upto 1MW (with 100% producer gas engine). 20% higher subsidy for Special Category States & Islands.
4.	**Biomass Gasifiers for Industrial Applications**	Rs. 2.00 lakh/300 kWe for thermal applications Rs. 2.50 lakh/100 kWe with dual fuel engine Rs. 10.00 lakh/100 kWe with 100% producer gas engine. Rs. 15.00 lakh/100 kWe with 100% producer gas engine in institutions.
5.	**Industrial Waste-to-Energy**	Rs. 50.00 lakh to Rs. 1.00 crore/MWe, depending on technology. (20% higher subsidy for Special Cetegory States)
6.	**Solar Photovoltaic (SPV) Systems** SPV lanterns	Rs. 2,400 for NE and special areas; nil for other. 100% cost of one SPV lantern for school going girl child of BPL family during entire period of school study.
	SPV home lighting systems	Rs. 4500 to 8,660 for NE and special areas, and Rs. 2500 to 4,800 for general areas, as per model
	SPV street lighting systems	Rs. 17,300 for NE and special areas. Rs. 9,600 for general areas.
	SPV standalone power plant of capacity >1 kW_p	Rs. 2,25,000/kW_p for NE and special areas Rs. 1,25,000/kW_p for general areas.
	SPV standalone power plant of capacity > 10kW_p	Rs. 2,70,000/kW_p for NE and special areas Rs. 1,50,000/kW_p for general areas.
7.	**SPV Water Pumping Systems**	30/W_p of SPV array used, subject to a maximum of Rs. 50,000 per system.

1	2	3
8.	**Small Aero-Generators and Hybrid Systems**	90% of ex-works cost or Rs. 2.40 lakh/kW, whichever is less, in unelectrified islands 75% of ex-works cost or Rs. 2.00 lakh/kW, whichever is less, in other areas, for government/ community use. 50% of ex-works cost or Rs. 1.25 lakh/kW, whichever is less, for all other users.
9.	**Solar Thermal Systems/Devices**	*Box type cookers:* Incentive to SNA: —Rs. 200 per cooker of ISI brand —Rs. 100 per cooker of non-ISI brand —Upto Rs. 1.50 lakh for publicity/workshop etc. —Support to manufacturers: reimbursement of 50% fees for obtaining BIS approval.
10.	**Solar Thermal Systems/Devices (Continued)**	*Solar Water Heating systems:* —Subsidized Loan @ 2% to domestic users, 3% to institutions and 5% to community users plus Rs. 100/square meter of collector area as incentive to motivator. —Capital subsidy @ Rs. 825/100 per sq.m. to commercial establishments/institutions. *Solar Air Heating/Steam Generating Systems:* Capital subsidy @ 35-50% of the cost subject to certain ceilings. *Dish/community type solar cookers:* 30% of cost limited to Rs. 1,500 for Dish type cookers and Rs. 15,000 for Scheffler/ Community type cooker.
11.	**Solar Photovoltaic (SPV)**	
	applications in Urban Areas:	25% of cost subject to a max. of Rs. 5000/-
	SPV streetlight control systems	50% of cost subject to a max. of Rs. 10,000/- & Rs. 12,000/- for 11 W and 18 W CFL respectively.
	SPV street/public garden lights (74/75 W_p modules)	50% cost subject to a max. of Rs. 15,000/ 100 W_p module.

1	2	3
	SPV illuminated hoardings (with maximum 1kW$_p$ SPV module)	50% of cost subject to a maximum Rs. 1000/-
	SPV road studs	50% of cost subject to a maximum Rs. 7,500/-
	SPV blinkers (minimum 37 W$_p$ module)	50% of cost subject to a maximum Rs. 2.50 lakh
	SPV traffic signals (minimum 500 W$_p$ module)	50% of cost subject to a maximum Rs. 1.00 lakh per kW$_p$
	SPV power packs (maximum 1kW$_p$ module)	
12.	**Akshay Urja Shops**	Subsidized loan @7% upto Rs. 10 lakh and performance based grant & incentive up to Rs. 10,000 per month.

B. GRID-INTERACTIVE RENEWABLE POWER PROGRAMMES:

Sl. No.	Projects Category	Central Financial Assistance provided	
		Special Category States (NE Region, Sikkim, J&K, HP and Uttaranchal)	Other States
1	Small Hydro Power Projects	Rs. 2.25 crore X (C)^0.646	Rs. 1.50 crore X (C)^0.646
2	Biomass Power Projects	Rs. 25 lakhs X (C)^0.646	Rs. 20 lakh X (C)^0.646
3	Bagasse Co-generation Projects by private sector 40 bar & above	Rs. 18 lakh X (C)^0.646	Rs. 15 lakh X (C)^0.646
4	Bagasse Co-generation Projects (by cooperative/ public/joint sector)	Rs. 40 lakh/MW	Rs. 40 lakh/MW
	40 bar & above	Rs. 50 lakh/MW	Rs. 50 lakh/MW
	60 bar & above	Rs. 60 lakh/MW	Rs. 60 lakh/MW
	80 bar & above	Limited to Rs. 8 crore/project	Limited to Rs. 8 crore/project
5	Biomass Power using Advanced Technologies	Rs. 1.2 crore X (C)^0.646	Rs. 1.0 crore X (C)^0.646
6	Wind Power Projects	Rs. 3.00 crore X (C)^0.646	Rs. 2.50 crore X (C)^0.646

C: Capacity of the project in MW; ^ : raised to the power

X *For new sugar mills (which are yet to start production and sugar mills employing backpressure route/seasonal/incidental cogeneration) subsidies shall be one-half of the level mentioned above.*